

Required Report: Required - Public Distribution

Date: April 18, 2025

Report Number: VE2025-0006

Report Name: Sugar Annual

Country: Venezuela

Post: Caracas

Report Category: Sugar

Prepared By: FAS

Approved By: Mark Rosmann

Report Highlights:

Market year (MY) 2025/2026 Venezuelan sugar production is forecast to grow upward to 415,000 metric tons on account of steady yields, continued access to crop inputs, and sustained profit margins within the sugar industry. Venezuela's sugar production has gradually recovered over the past several years, yet several constraints persist in further expanding production, including limited credit access and, more recently, acute diesel shortages. No changes are expected in raw sugar imports in MY 2025/2026 due to increased domestic sugarcane production and an anticipated pause in refined sugar imports. High, accelerating inflation and reduced purchasing power threaten sugar consumption due to rapidly growing food costs in both modern retail and informal markets.

Commodities:
Sugar Centrifugal

Table 1. Centrifugal Sugar (Raw Value Basis) (Thousand Metric Tons [TMT])

| Sugar, Centrifugal Market Year Begins Venezuela | 2023/2024 | | 2024/2025 | | 2025/2026 | |
|---|------------------|----------|------------------|----------|------------------|----------|
| | Oct 2023 | | Oct 2024 | | Oct 2025 | |
| | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Beginning Stocks (1000 MT) | 0 | 0 | 0 | 0 | 0 | 0 |
| Beet Sugar Production (1000 MT) | 0 | 0 | 0 | 0 | 0 | 0 |
| Cane Sugar Production (1000 MT) | 339 | 339 | 373 | 373 | 0 | 415 |
| Total Sugar Production (1000 MT) | 339 | 339 | 373 | 373 | 0 | 415 |
| Raw Imports (1000 MT) | 250 | 250 | 250 | 250 | 0 | 250 |
| Refined Imp. (Raw Val) (1000 MT) | 80 | 80 | 50 | 30 | 0 | 0 |
| Total Imports (1000 MT) | 330 | 330 | 300 | 280 | 0 | 250 |
| Total Supply (1000 MT) | 669 | 669 | 673 | 653 | 0 | 665 |
| Raw Exports (1000 MT) | 0 | 0 | 0 | 0 | 0 | 0 |
| Refined Exp. (Raw Val) (1000 MT) | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Exports (1000 MT) | 0 | 0 | 0 | 0 | 0 | 0 |
| Human Dom. Consumption (1000 MT) | 669 | 669 | 673 | 653 | 0 | 665 |
| Other Disappearance (1000 MT) | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Use (1000 MT) | 669 | 669 | 673 | 653 | 0 | 665 |
| Ending Stocks (1000 MT) | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Distribution (1000 MT) | 669 | 669 | 673 | 653 | 0 | 665 |

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

Note: No centrifugal sugar is utilized for alcohol, feed, or other non-human consumption. All figures raw value. To convert raw value to refined/crystal white sugar, divide by a factor of 1.07.

Data Source: Post historical data series. Forecast for MY 2025/2026; MY 2023/2024 and MY 2024/2025 are estimates.

Production

In MY (October-September) 2025/2026, FAS forecasts Venezuelan sugar production upward to 415,000 metric tons (MT) raw value (RV) basis, an 11 percent increase year-on-year on a harvested area of approximately 70,000 hectares (ha) (Table 1). This estimate assumes normal rainfall patterns, and both increases in sown and harvested areas in the sugar-producing states. Venezuelan sugar production has consistently grown in recent years due to modest economic recovery in the agricultural sector, improving margins and making sugarcane a primary remunerative crop for farmers. Improved access to quality inputs, such as fertilizers and farm machinery, has led to better yields. Combined with high sugar prices, this is encouraging greater industry investments. Average sugarcane tonnage per ha is forecast at 70 MT/ha in the forecast year, 6 percent higher year-on-year.

Acute fuel shortages, especially diesel, have persisted in Venezuela for the past three years. However, in 2025, the sugar milling industry invested in converting boiler systems from diesel to fuel oil, to ensure milling production continues.¹ FAS sources note that approximately 4.5

¹ In addition, the Maduro authority has reportedly ensured fuel oil availability for the agricultural sector.

million metric tons (MMT) are estimated to be harvested in MY 2024/2025, approximately 500,000 MT less than is anticipated due to earlier than expected rainfall delaying planting.

Approximately 4,000 sugarcane growers, including 3,500 smallholders, utilize modern machinery for field preparation, planting, and harvest. Venezuela's sugarcane crop follows a 12-month cycle. Venezuela produces two sugarcane crops: October-April and June-October. Portuguesa is the largest sugarcane-growing state, accounting for 85 percent of total production, followed by Aragua and Lara (Figure 1).

Figure 1. Sugarcane Harvest in Aragua State



Data Source: *El Palmar* sugar mill, 2025.

Sugar production for MY 2024/2025 is estimated at 373,000 metric tons. Production has not grown due to untimely rains that kept yields and extraction rates flat. Additionally, acute economic challenges, including limited access to credit, growing inflation, and a shortage of foreign currency (i.e., U.S. dollar), have impacted growers. However, favorable domestic sugar prices have partially offset these challenges. Typically, Venezuela's sugar sector is mostly insulated from labor shortages as experienced in other agricultural sectors.

Six private sector mills continue to supply most sugar production (Table 2).² There are presently 10 Venezuelan state-owned sugar mills (Table 3). For MY 2024/2025, sugar mills Santa Elena and Batalla de Araure (managed by private sector entities) are currently operating.³

² Venezuela's private sector mills are all located in Portuguesa.

³ Due to certain inefficiencies, including a lack of infrastructure and proper maintenance, most state-owned mills are presently inoperable whereas the private sector mills retain most sugar milling operations in the country. Most mills were either occupied or expropriated by the state beginning in 2005.

Table 2. Venezuela: Private Sugar Mill Production, MY 2024/2025 (MT)

| Private Sector Mill | Production Received | Yield % (Recovery) | Refined Sugar Production | Harvest Months |
|---------------------|---------------------|--------------------|--------------------------|----------------|
| Portuguesa | 1,737,000 | 9 | 156,330 | Dec-April |
| Molipasa | 930,000 | 8.2 | 76,260 | Dec-April |
| El Palmar | 400,000 | 7.9 | 32,000 | Dec-April |
| La Pastora | 700,000 | 8 | 56,000 | Jan-Aug |
| Batalla de Araure | 150,000 | 7 | 10,500 | Dec-April |
| Santa Elena | 600,000 | 7 | 42,000 | Dec-April |

Data Source: Venezuelan industry data with FAS analysis.

Table 3. Venezuela: Current State of Public Sugar Mill Operations

| Public Sector Mill | Operating Status in April 2025 |
|-----------------------------------|---------------------------------|
| Batalla Araure (CABA) | <i>Operational this harvest</i> |
| Sucre Power Plant | Closed this harvest |
| Venezuela | Closed this harvest |
| Industrial Santa Elena | <i>Operational this harvest</i> |
| Central Cariaco | Closed this harvest |
| Santa Clara | Closed this harvest |
| CAAEZ (Central Ezequiel Zamora) | Closed this harvest |
| CAZTA (Central Táchira in Urueña) | Closed this harvest |
| Central Turbio | Closed this harvest |
| Central Trujillo | Closed this harvest |

Data Source: Venezuelan industry.

Consumption

In MY 2025/2026, FAS forecasts domestic consumption at 665,000 MT, a slight increase compared to the revised MY 2024/2025 estimate. This figure represents approximately 24 kilograms (kg) per capita. Sugar consumption in Venezuela is currently distributed as 80 percent for human consumption and 20 percent in food manufacturing. In MY 2024/2025, domestic sugar consumption is estimated at 653,000 MT, 2 percent lower year-on-year due to rising consumer prices from severe bolivar devaluation that started in July 2024, higher food price inflation, and stagnant consumer purchasing power that has slightly offset increased sugar usage in the Venezuelan food and beverage industries.⁴ In addition to renewed economic challenges, sugar consumption in Venezuela is also weakening as consumers, especially young people, shift toward healthier lifestyles and choose foods and beverages with less sugar for dietary and health reasons.⁵

Approximately 20 percent of Venezuela's total domestic refined sugar supply is consumed through the Maduro authority's food security program, commonly known as the Local Committee for Supply and Production (CLAP).⁶ Monthly CLAP boxes, provided to about 1.6 million families, include at least 1 kg of refined sugar and are supplemented by imports from

⁴In addition, increased migration could potentially lead to a reduced consumer base.

⁵ The Venezuelan beverage industry is demanding more artificial sweeteners such as aspartame.

⁶ The CLAP (Los Comités Locales de Abastecimiento y Producción), food program began in 2016, with infrequent food deliveries to food insecure households. In addition to 1 kg of sugar, recipients typically receive a mix of staple foods, including pasta, milk powder, and rice, among others.

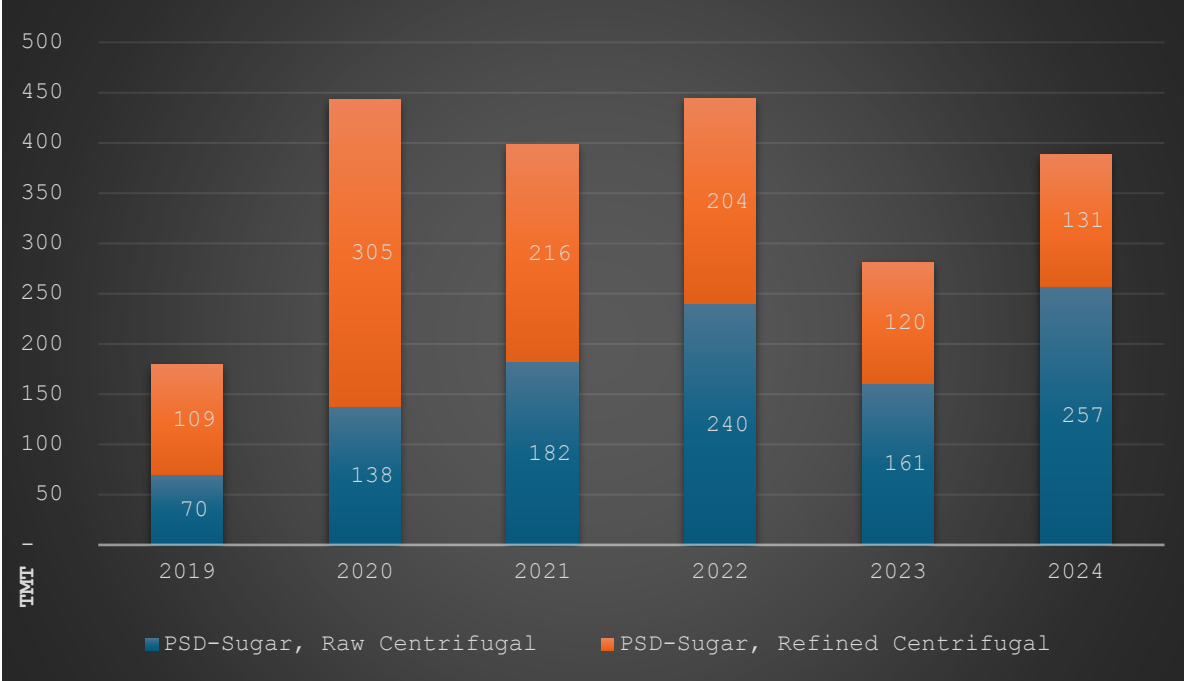
Brazil. Recently, the CLAP program has reduced sugar procurement from 10,000 MT to 6,000 MT per month reportedly due to insufficient cash flow from the Maduro authority.⁷

Raw Sugar Trade

FAS forecasts MY 2025/2026 raw sugar imports at 250,000 MT, unchanged from last year, due to stronger domestic sugarcane production. For years, domestic sugarcane production has not met demand, requiring Venezuela to continue importing raw sugar. Since 2020, the Maduro authority has relied on the private sector to import sugar and avoid national shortages.

Raw sugar imports for MY 2024/2025 remain unchanged at 250,000 metric tons. In 2024, raw sugar imports constituted 66 percent of the sugar complex (combined raw and refined) (Figure 2). In 2024, Brazil remained the main raw sugar exporter to Venezuela, holding a 99 percent share. In the first half of MY 2024/2025 (October 2024 to March 2025), Venezuela imported 89,478 MT of raw sugar, all from Brazil due to price competitiveness. In calendar year (CY) 2024, Venezuela’s sugar imports totaled approximately 388,280 MT RV, a 38 percent increase from CY 2023. This figure includes 388,045 MT from Brazil, 171 MT from Colombia, 59 MT from Panama, and 5 MT from the United States. (Figure 3).

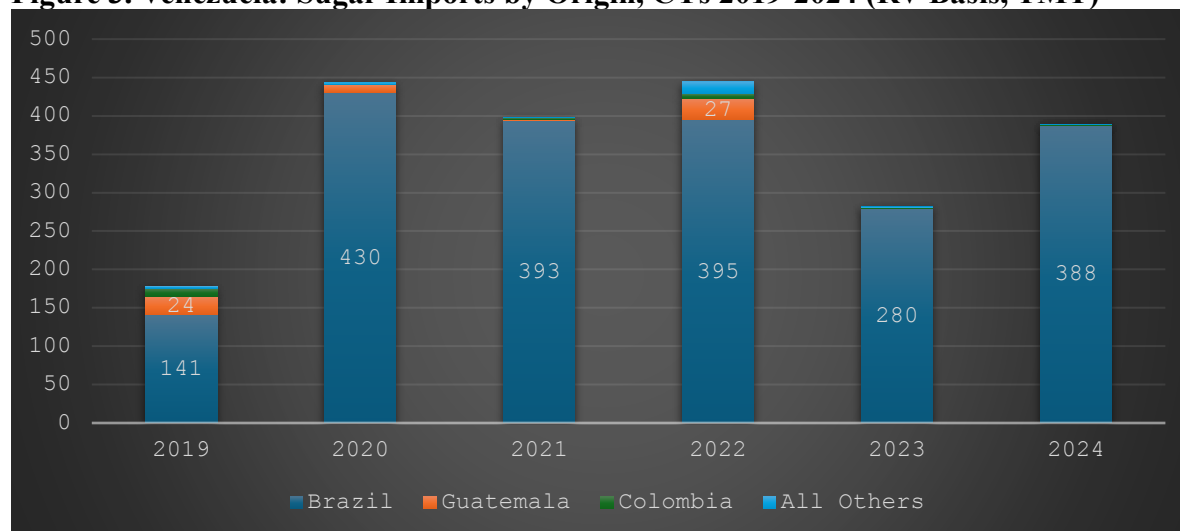
Figure 2. Venezuela: Imports of Raw Sugar Against Refined Sugar, CYs 2019-2024 (Thousand Metric Tons [TMT])



Data Source: Trade Data Monitor (TDM).

⁷ The CLAP program goal initially required an estimated 120,000 MT of refined sugar per year to support 2.5 million families, a target it is now unlikely to reach.

Figure 3. Venezuela: Sugar Imports by Origin, CYs 2019-2024 (RV Basis, TMT)



Data Source: TDM.

Refined Sugar Trade

FAS forecasts MY 2025/2026 refined sugar imports to drop to zero on account of the predicted recovery in domestic sugarcane production, steady imports of raw sugar, and policies that strongly favor local sugar refining. Market year 2023/2024 refined sugar imports are revised lower to 80,000 MT due to anticipated higher domestic sugarcane production. FAS contacts state that early in the current MY, refined sugar imports were mainly used for CLAP boxes, but for the latter half of the MY, the Maduro authority requested the national industry supply up to 10,000 MT of refined sugar per month for the CLAP, per an agreement with domestic industry. In the first half of MY 2023/2024 (October 2023 to March 2024), Venezuela imported 63,461 MT of refined sugar, 99 percent supplied by Brazil.

Price

Venezuelan sugarcane growers are paid 60 percent of the average sugar sale price at the mill, after distribution costs, and 50 percent of the molasses sale price.⁸ In 2024, sugar millers paid on average USD \$620/MT for imported raw sugar. However, due to the recent devaluation of the bolivar, March 2025 raw sugar prices have fallen USD \$570/metric tons. Since MY 2019/2020, refined sugar prices have steadily increased and typically coincided with an increase in domestic cane prices paid to growers (Table 4).

⁸ In 2020, private millers and the Maduro authority agreed to annual, gradual increase of sugarcane prices for producers but the price at factory gate is \$1.10 this year 2025.

Table 4. Venezuela: Mill Average Market Sales Price for Refined Sugar to Consumers (MY, USD/Kg, MT)

| <i>Market Year</i> | <i>\$/Kg</i> | <i>Total Domestic Production (MT)</i> |
|--------------------|--------------|---------------------------------------|
| <i>2019/2020</i> | 0.85 | 160,000 |
| <i>2020/2021</i> | 1.00 | 194,000 |
| <i>2021/2022</i> | 1.00 | 229,000 |
| <i>2022/2023</i> | 1.05 | 303,000 |
| <i>2023/2024</i> | 1.10 | 339,000 |
| <i>2024/2025</i> | 1.62 | 373,000 |

Data source: Local industry.

Stocks

Venezuelan stock levels tend to widely fluctuate widely and are thus omitted from FAS estimates. However, sources note there are approximately 17,000 MT of refined sugar inventories in the current market year. For MY 2025/2026, FAS estimates sugar mill inventories to be 70 percent higher due to Maduro authority mandates for sugar inventories to supply the CLAP program and the expectation that all refined sugar will be sourced locally instead via imports.

Alcohol Production

Venezuelan distilleries use molasses to produce alcohol for various industries, including alcoholic beverages, vinegars, and non-potable uses like paints and solvents.⁹ Venezuela maintains an annual installed capacity of 60 million liters of ethyl alcohol and yearly consumption is close to 55 million liters. Currently, there is a surplus of molasses due to a significant drop in the consumption of ethyl alcohol-based beverages. Presently, domestic beer consumption has increased due to its competitive price, while rum consumption has dropped because of higher costs.

In 2025, due to a molasses surplus, there is an excess of alcohol, prompting industry to consider exports as a solution. The domestic price of ethyl alcohol is market-driven, with competition from imports setting an average price of USD \$1.40/liter as of March 2025. This price gives alcohol producers a margin of nearly 30 percent. However, the March 2025 U.S. Executive Order imposing tariffs on countries importing Venezuelan oil may limit exports of potable and non-potable alcohol, including distilled spirits.¹⁰

Policy

Raw sugar imports remain exempt from tariffs. In 2024, the Maduro authority also removed raw sugar from its value-added tax (VAT).¹¹ Since December 2020, refined sugar has maintained an 8 percent basic customs duty with a VAT of 16 percent.¹² The Maduro authority sporadically grants import licenses and exempts VAT and import duties depending on economic conditions. Recently,

⁹ The private sector sugar mills also operate distilleries, like Colombia and other parts of the world.

¹⁰ For additional information see: [Executive Order 14245](#): Imposing Tariffs on Countries Importing Venezuelan Oil; published on March 24, 2025.

¹¹ The Maduro authority rarely publishes or makes available relevant official data, notifications, or regulations to the public. There is no information published in the Official Gazette of any recent policy decisions related to sugar.

¹² This also includes a 1 percent service fee charged by the Venezuelan customs authority.

Venezuela removed the raw sugar VAT to support domestic sugar plants in arrears on worker payments and to boost the domestic sugar supply in a market flooded with refined Brazilian sugar.

Brazil-origin raw sugar imports to Venezuela have an 8 percent tariff, but currently exempt due to political considerations. Prior to 2006, Colombia exported sugar to Venezuela with preferential tariffs through the Andean Community of Nations (CAN). After Venezuela left the CAN, Colombian sugar faced a 20 percent customs duty. Raw sugar from Guatemala, El Salvador, Nicaragua, and Honduras also incurs a 20 percent import tariff.¹³

Attachments:

No Attachments

¹³ The 20 percent tariff for El Salvador also includes refined sugar.